Remarks

Applicant respectfully requests reconsideration and allowance of the present application in view of the claim amendments and the remarks below.

Claims 1, 3-9, 21, 23, and 25 through 28 were pending in the application. With the present Amendment, claims 21, 23, and 25-28 are cancelled rendering the rejections of those claims moot. Independent claim 1 remains, with claims 3-9 depending therefrom. New independent claim 29 drawn to a lottery ticket embodying aspects of the inventive word game has been added, with claim 30 depending therefrom.

Claims 1 and 4 have been variously amended to overcome the § 112, second paragraph, rejections of paragraph 3 of the Office Action.

Applicants respectfully acknowledge the provisional double patenting rejection set forth in Section 2 of the Office Action based on the co-pending parent application Serial No. 10/662,736. A properly executed Terminal Disclaimer will be timely submitted to obviate this provisional rejection upon indication that the pending claims are otherwise allowable.

Claims 1, 3, 5-7, and 9 stand rejected under § 102(b) in view of Koza '050 or in the alternative, under § 103(a) over Koza '050 in view of either Baerlocher '573 or Walker '864 . Claim 4 stands rejected under § 103(a) in view of the combination of Koza '050 and Itkis '787 or Luciano '521 or in the alternative over Koza in view of either Baerlocher '573 or Walker '864 as applied to claim 1 and further in view of either Itkis '787 or Luciano '521. Claim 8 stands rejected under § 103(a) in view of the combination of Koza '050 in view of Anderson '412 or "Scrabble" or in the alternative, over Koza '050 in view of either Baerlocher '573 or Walker '864 as applied to claim 1 and further in view

of either Anderson '412 or "Scrabble." Applicant respectfully submits that all of the pending claims as amended and presented herein patentably distinguish over any combination of the cited references, as discussed in further detail below.

In paragraph 1 of the Office Action ("Claim Interpretation"), the Examiner states that the broadest reasonable interpretation of "alphabetic play phrase" is any coherent text that may include a word, and a series of letters or numbers or alphanumeric sequence. The applicant does not acquiesce in the Examiner's claim interpretations. However, as previously amended, independent claim 1 expressly calls for a lottery input unit that is configured to receive "a play phrase from a user that comprises a plurality of **words**" (emphasis added). Thus, there should be no question that the claimed "play phrase" at least includes a plurality of words, and cannot be a simple alphanumeric sequence.

Throughout the Office Action, the Examiner has indicated that little to no weight has been given to various "functional recitations" in the claims. For example, page 14 of the Office Action states:

> Also, in response to applicant's argument that Koza lacks a phrase that comprises a plurality of words, a recitation of the intended use of the claimed invention must result in a structural difference between the claimed invention and the prior art in order to patentably distinguish the claimed invention from the prior art. If the prior art structure is capable of performing the intended use, then it meets the claim.

Applicant respectfully submits that novel features of the inventive apparatus are properly claimed, and that patentable consideration should be given to the functional limitations in the claims.

The Court of Customs and Patent Appeals (predecessor court to the Federal Circuit Court of Appeals) long ago addressed the issue of the use of functional language to define novel aspects of structure:

> We take the characterization "functional", as used by the Patent Office and argued by the parties, to indicate nothing more than the fact that an attempt is being made to define something (in this case a composition) by what it ***does*** rather than by what it ***is*** (as evidenced by specific structure or material, for example). In our view, there is nothing intrinsically wrong with the use of such a technique in drafting patent claims. Indeed we have recognized in the past the practical ***necessity*** for the use of functional language. See, for example, In re Halleck, 421 F.2d 911, 164 USPQ 647 (CCPA 1970).

In re Swinehart, 169 USPQ 226, 228 (CCPA1971). Citing In re Swinehart, the Federal Circuit Court of Appeals applied the same reasoning in In re Schreiber, 44 USPQ2d 1429, 1432 (Fed. Cir. 1997):

> A patent applicant is free to recite features of an apparatus either structurally or functionally.... There is nothing intrinsically wrong with defining something by what it does rather than what it is.

It is respectfully submitted that gaming/lottery systems and apparatus are the type of structure recognized by the courts as lending themselves to the **"practical necessity"** of claiming the structure in functional terms. The PTO also recognizes this necessity. For example, Walker '864 (US Pat. No. 5,921,864) has been asserted against the present claims in a Section 103 obviousness rejection. Independent apparatus claim 8 of Walker '864 is set forth below:

> 10. An apparatus for conducting a word puzzle game, the apparatus comprising:
>
> *a processor*; and
>
> *a memory* connected to the processor storing *a program* to control the operation of the processor;
>
> the processor operative with the program in the memory to:

initialize score data representing a score;

determine a puzzle phrase, the puzzle phrase comprising a plurality of characters, each of the plurality of characters being selected from the group consisting of letters, spaces and punctuation marks;

display a plurality of display areas, each display area corresponding to one of the plurality of characters of the puzzle phrase;

receive a player selection, the player selection being selected from a plurality of player selectable characters consisting of letters, spaces and punctuation marks;

update the score data, thereby decreasing the score based on an elapsed time;

compare the player selection to at least one character of the puzzle phrase to determine whether the player selection matches any of the at least one character of the puzzle phrase; and

display each character of the puzzle phrase determined to match the player selection.

Arguably, the only structure positively set forth in the above claim is a "processor", a "memory", and a "program". The novel distinctions of the claimed invention, however, lie in the functional accomplishments of these interacting structural components, namely the functional steps of initializing, determining, displaying, receiving, updating, comparing, and so on.

Accordingly, as held by the courts and recognized by the PTO, it is respectfully submitted that the present applicants may properly claim their apparatus in terms of certain functional characteristics, and that such functional limitations are entitled to due consideration.

Independent claim 1 is directed to a lottery apparatus wherein the structural components operate together to implement a very particular word based lottery game.

In particular, the components are configured to receive a play phrase from a user ("player") that comprises a plurality of words that are uniquely chosen by the player. The components do not dictate the words to the player, but accept the play phrase of the player's choosing. As described in the specification, the player may compose their own play phrase, or select a phrase from a list of phrases suggested by the apparatus. and a wager from the user. The components receive a wager from the player, and compute and assign a prize value to each of the plurality of words that is based on the complexity of the words. For example, more complex words have a higher prize value. A string of letters is then randomly generated and presented to the player. The components are configured to determine whether the letters in the random string form any of the words in the play phrase designated by the user, and to determine a payout value as a function of the total number and complexity of the words in the play phrase that can be formed from the random string of letters.

The player controls the complexity and odds of winning by the initial selection of the plurality of words in the play phrase. For example, the prize value can be determined based on the probability of a winning word. The more letters that are in a word result in a lower probability that the string of randomly generated letters will match the word. Additionally, there are letters that appear more often in words, such as the letter "e", and letters that appear less often, such as the letter "z". Therefore, if a word within the play phrase contains letters that are more common, there is a greater probability that the random string of letters will be able to make up a part or all of the word. Thus, the lower the probability that a word will be able to be matched with the random string of letters, the higher the prize value.

The unique game configuration of claim 1 is not anticipated by Koza '050 or rendered obvious by Koza '050 when combined with Baerlocher '573, Walker '864, or any combination of the references of record.

Koza '050 is directed to a broadcast lottery in which a player acquires a ticket containing the game information for comparison to information broadcasted from a transmitter. Applicant submits that the word game taught in Koza '050 is fundamentally different that the currently claimed word based lottery game. On col. 3, lines 17-20 of Koza '050 it states:

> Another game is outlined in which a player selects a word from a set of ***preselected*** words and wins if the player's selected word matches the winning word drawn from the set.

Accordingly, Koza '050 teaches of a conventional lottery game wherein the player selects an "object" or "symbol" (i.e., a number, a word, a picture, and so forth...) from a designated group and wins if the lottery randomly selects the same object. Koza expressly refers to "lotto" games wherein the player selects numbers from a designated group of numbers, and wins if the lottery system randomly selects the same numbers. The word based game suggested by Koza '050 in the above cited passage merely substitutes words (or any other object or symbol) for numbers. This old and well known lottery concept is fundamentally unrelated to the presently claimed game features. There is no teaching, suggestion, motivation, or other reason in Baerlocher '573, Walker '864, or any combination of the references of record, to reconfigure the game of Koza '050 in accordance with the present claims.

The inventive features of Koza '050 are not the game concepts (which are old),

but are directed to an electronic lottery ticket that can receive a randomly generated set of numbers or a "winning word" to the ticket holder via an RF frequency. The discussion of using words and letters in the games described by Koza '050 is merely a simple substitution of indicia in a common lottery game. At most, one skilled in the art may be motivated to substitute another well known lottery game theme for the game of Koza '050, but any such substitution is still not in accordance with the present claims wherein the player directly determines the payout and likelihood of winning by their selection of the initial play phrase of words, with the hope that randomly generated letters can be used to form the words. As stated above, Koza '050 teaches to match the drawn "winning word" from a set of possible words presented to the user for selection. Koza '050 never generates a random string of letters. Therefore, in no way does Koza '050 disclose or suggest of a game wherein the player dictates the odds and complexity of the game via the initial designation of a play phrase comprising a plurality of words, wherein a subsequent randomly generated string of letters are used to form one or more of the words to "win" the game.

Still further, Koza '050 fails to disclose or suggest determining a payout value as a function of the number of matches between the randomly drawn letters and the letters within at least one of the plurality of words. As stated above, Koza '050 teaches to draw a "winning word" from a set of words to determine a payout value. Koza '050 only teaches a payout when there is simply a match of one object with another object, whether that object is a number, a word, or a symbol. In contrast, the present game requires a payout value that is determined as a function of the complexity of the matched words.

Applicants respectfully submit that neither Baerlocher '573 nor Walker '864 cures the deficiencies of Koza '050. Baerlocher '573 and Walker '864 teach/demonstrate "Wheel of Fortune" type games of chance, wherein a hidden phrase is presented by the gaming authority to a player, and the player guesses letters in an attempt to solve the hidden phrase. The game of Wheel of Fortune is fundamentally different from the presently claimed word based lottery game, and does not depend on the initial play phrase being determined solely at the discretion of the user without any knowledge of the subsequent randomly generated string of letters. The Wheel of Fortune game does not provide the player with the ability to select the complexity of the words, with the payout value of a "winning" game being a function of the number and complexity of matched words. Specifically, Baerlocher '573 teaches that the phrase is hidden to the player (col. 1, lines 24-25). Additionally, Walker '864 specifically states that "the objective of the electronic word puzzle game is to solve a hidden phrase or quotation" (col. 4, lines 18-19). Consequently, both Baerlocher '573 and Walker '864 directly teach away from the limitations recited in independent claims 42 and 57.

At most, one skilled in the art may be motivated to substitute a Wheel of Fortune-like game for the word game of Kozo '050, but the resulting game is still fundamentally unrelated to the presently claimed game.

The remaining references of record fail to remedy the deficiencies noted with respect to Kozo '050 alone or in combination with Baerlocher '573 and Walker '864. For example, Guttin '246 associates a prize based on the **number** of words found within the puzzle. In stark contrast, the present claims require that a prize value is associated with **each** of the plurality of words. In Guttin '246, it does not matter which of the words is

found in the word search puzzle, only the number of words found is important. This same prize structure is no different than Koza '050, which assigns a prize based on the number or amount of matches between the player's numbers and the randomly generated numbers. As such, Applicant respectfully submits that the word puzzle of Guittin '246 is fundamentally different from the game implemented by claim 1 and fails to disclose or suggest a prize value associated with each of the plurality of words.

New independent claim 29 is drawn to a lottery ticket that embodies the word based game discussed above. Applicant respectfully submits that claim 29 is allowable over the art of record for essentially the reasons discussed above.

Accordingly, for at least the reasons set forth herein, applicant respectfully submits that all pending claims are allowable over the art of record, and that the application is in condition for allowance. Favorable action thereon is respectfully requested. The Examiner is encouraged to contact the undersigned at his convenience should he have any questions regarding this matter or require any additional information.

Respectfully submitted,

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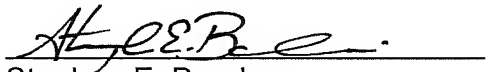
By: 

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